

USDA Foreign Agricultural Service

# GAIN Report

Global Agricultural Information Network

Voluntary - Public

**Clearance Office:** Office of Global Analysis (OGA)

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## Venezuela

**Post:** Caracas

## Fresh Deciduous Fruits

### Report Categories:

Fresh Deciduous Fruit

Market Promotion/ Competition

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### Report Highlights:

Venezuela imports apples and pears from the United States between October and January, and during the rest of the year almost all imports come from Chile. Since 2003, fresh fruit imports have been held below potential by delayed issuance of import permits and foreign exchange restrictions. For 2009, some market analysts expect a 30 percent decrease in fruits imports as compared to a good 2008.

## General Information:

Venezuela's domestic apple and pear output is very small and insufficient to satisfy the local market, and thus the country is an important importer of these fruits. Traditionally, Venezuela imports apples and pears from the United States between October and January, while imports for the rest of the year come from Chile. Since 2003, fresh fruit imports have been affected by import permits and foreign exchange restrictions.

According to the U.S. Census Bureau, U.S. apples exports increased 7.9 percent from 2007 to 2008, or from 5,712 metric tons to 6,167 metric tons. U.S. pears exports also increased during this period; the same database shows an increase of 258.4 percent, or from 1,053 metric tons to 3,774 metrics tons.

For 2009, a decrease of about 30 percent is expected for fruit exports to Venezuela, mainly because the delay in import permit issuance. Venezuela's imports from the U.S. have declined because importers are taking advantage of the ALADI agreement (Latin America Integration Association) where importers do not face foreign exchange restrictions.

Additionally, Argentina and Chile have been very aggressive with their marketing strategies and benefit from duty-free preferential access. Despite this situation, Venezuelan importers state that the United States is seen as a reliable source in terms of volume and quality.

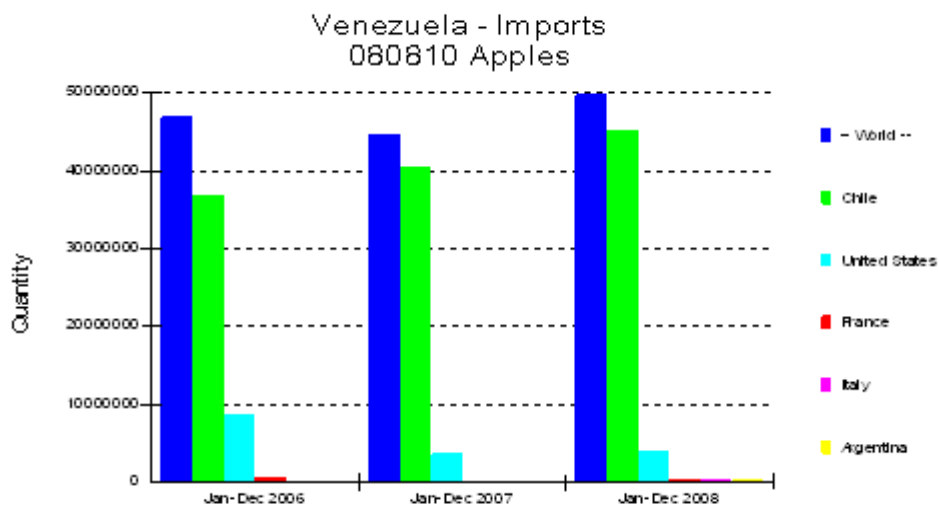
According to the Venezuelan National Customs Administration (SENIAT), Chile maintains 90.5 percent share of the apple market, followed by the U.S. with 8.2 percent. Chile is also leader in Venezuela's pear market, with 74.2 percent followed by the U.S. with 14.2 percent, and Argentina with 11.5 percent.

**Table 1. Venezuela Imports – HS 080810 Apples**

Rank	Country	MT Jan-Dec 2006	MT Jan-Dec 2007	MT Jan-Dec 2008
0	-- World --	46,976	44,621	49,798
1	Chile	36,813	40,564	45,104
2	United States	8,686	3,578	4,082
3	France	575	145	213
4	Italy	52	156	204
5	Argentina	51	176	193

Source: SENIAT - National Customs & Tax Administration

**Graphic 1. Venezuela Imports – HS 080810 Apples**



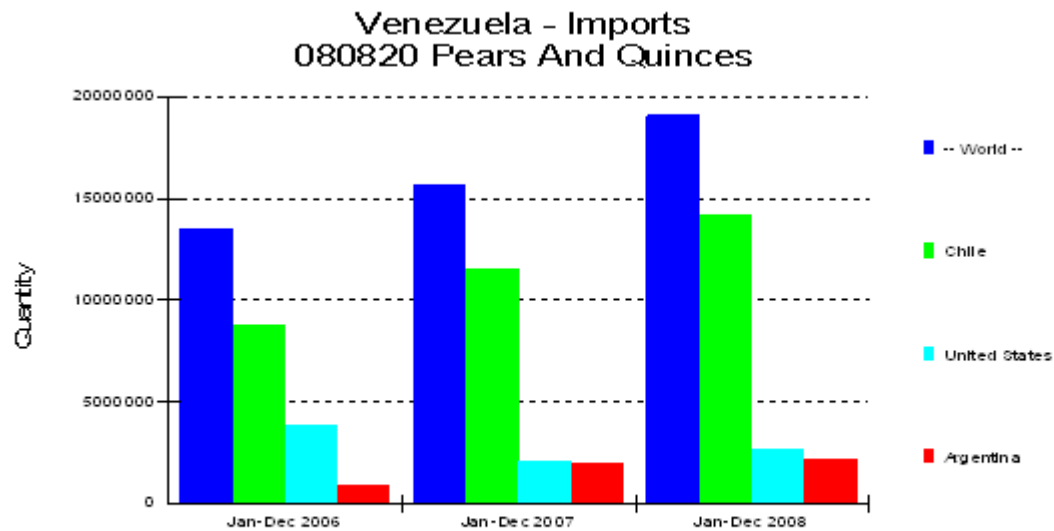
Source: SENIAT - National Customs & Tax Administration

**Table 2. Venezuelan Imports - 080820 Pears**

Rank	Country	MT Jan-Dec 2006	MT Jan-Dec 2007	MT Jan-Dec 2008
0	-- World --	13,515	15,645	19,056
1	Chile	8,780	11,526	14,148
2	United States	3,840	2,102	2,707
3	Argentina	868	1,998	2,200

Source: SENIAT - National Customs & Tax Administration

**Graphic 2. Venezuelan Imports - 080820 Pears**



Source of data: SENIAT - National Customs & Tax Administration

### **Labeling Requirements:**

Fresh produce does not require labeling nor additional marking.

### **Policy:**

#### **Import Permits**

The primary barriers to US sales of fresh deciduous fruit to Venezuela are the issuance of import permits and restrictions on foreign exchange. The Government of Venezuela's phytosanitary regulatory agency (Servicio Autonomo de Sanidad Agropecuaria, or SASA) is responsible for granting phytosanitary import permits. While importers submit their applications at least four months in advance, permission is not given immediately.

#### **Tariff Preferences**

Imports of fresh fruit from the United States and third countries (other than Andean Community Countries) are subject to a 15 percent duty. Imports from Chile benefit from duty free preferential access. In addition, imports of fresh fruit from ALADI (Latin American Integration Association) countries are exempt from foreign exchange restrictions.

#### **Access to Foreign Exchange**

The Ministry of Food and the Ministry of Agriculture and Lands (MAT) are responsible for preparing a list of products (livestock, cereals, fresh produce and others) that can access foreign exchange at the official, preferential rate. The list is forwarded to the foreign exchange administration commission (CADIVI), an entity that grants foreign exchange to importers. Apples, pears and grapes are not included in the CADIVI list and therefore do not have access

to the fixed foreign exchange of Bs. 2.15/1 USD, significantly raising costs which are passed on to the consumer.

### Production, Supply and Demand Data Statistics :

**Table 3. Apple Supply and Demand**

PSD Table							
Country	Venezuela						
Commodity	Apples, Fresh				(HA)(1000 TREES)(MT)		
	2007	Revised	2008	Estimate	2009	Forecast	UOM
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	
Market Year Begin		01/2007		01/2008		01/2009	MM/YYYY
Area Planted	0	0	0	0	0	0	(HA)
Area Harvested	0	0	0	0	0	0	(HA)
Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Total Trees	0	0	0	0	0	0	(1000 TREES)
Commercial Production	0	0	0	0	0	0	(MT)
Non-Comm. Production	0	0	0	0	0	0	(MT)
TOTAL Production	0	0	0	0	0	0	(MT)
TOTAL Imports	45000	44621	45000	49798	45000	34859	(MT)
TOTAL SUPPLY	45000	44621	45000	49798	45000	34859	(MT)
Domestic Fresh Consumption	45000	44621	45000	49798	45000	34859	(MT)
Exports, Fresh Only	0	0	0	0	0	0	(MT)
For Processing							(MT)
Withdrawal From Market	0	0	0	0	0	0	(MT)
TOTAL UTILIZATION							(MT)

**Table 4. Pear Supply and Demand**

PSD Table							
Country	Venezuela						
Commodity	Pears, Fresh				(HA)(1000 TREES)(MT)		
	2007	Revised	2008	Estimate	2009	Forecast	UOM
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	
Market Year Begin		01/2007		01/2008		01/2009	MM/YYYY
Area Planted	0	0	0	0	0	0	(HA)
Area Harvested	0	0	0	0	0	0	(HA)

Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Non-Bearing Trees	0	0	0	0	0	0	(1000 TREES)
Total Trees	0	0	0	0	0	0	(1000 TREES)
Commercial Production	0	0	0	0	0	0	(MT)
Non-Comm. Production	0	0	0	0	0	0	(MT)
TOTAL Production	0	0	0	0	0	0	(MT)
TOTAL Imports	17260	15646	17260	19057	17260	13340	(MT)
TOTAL SUPPLY	17260	15646	17260	19057	17260	13340	(MT)
Domestic Fresh Consumption	17260	15646	17260	19057	17260	13340	(MT)
Exports, Fresh Only	0	0	0	0	0	0	(MT)
For Processing							(MT)
Withdrawal From Market	0	0	0	0	0	0	(MT)
TOTAL UTILIZATION							(MT)